

Inspector General

United States
Department of Defense



Defense Contract Management Agency
Acquisition Workforce for Southwest Asia

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Acronyms and Abbreviations

ACO	Administrative Contracting Officer
CCAS	Contingency Contract Administration Services
DAU	Defense Acquisition University
DAWIA	Defense Acquisition Workforce Improvement Act
DCMA	Defense Contract Management Agency
FAR	Federal Acquisition Regulation
FRAGO	Fragmentary Order
GAO	Government Accountability Office
JCC I/A	Joint Contracting Command Iraq/Afghanistan
LOGCAP	Logistics Civil Augmentation Program
MOA	Memorandum of Agreement
QAR	Quality Assurance Representative
SWA	Southwest Asia
TWCA	Theater-Wide Contract Administration
USD(AT&L)	Under Secretary of Defense for Acquisition, Technology, and Logistics



INSPECTOR GENERAL
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April 8, 2010

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION,
TECHNOLOGY, AND LOGISTICS
DIRECTOR, DEFENSE CONTRACT MANAGEMENT
AGENCY
DIRECTOR, DEFENSE ACQUISITION UNIVERSITY

SUBJECT: Defense Contract Management Agency Acquisition Workforce for Southwest
Asia (Report No. D-2010-051)

We are providing this report for review and comment. We considered management comments on a draft of this report from the Director, Defense Procurement and Acquisition Policy, when preparing the final report. The Director's comments were responsive to the intent of the proposed recommendations.

DOD Directive 7650.3 requires that recommendations be resolved promptly. Based on Director, Defense Procurement and Acquisition Policy, comments, we revised final report Recommendations A.1.a. and B.1. We request further comments from the Under Secretary of Defense for Acquisition, Technology, and Logistics on Recommendation B.1 by May 10, 2010. We also request that the Director, Defense Contract Management Agency, verify the implementation of Recommendations A.2. and B.2.b by May 10, 2010, or provide specific date(s) when the recommended actions will be completed.

If possible, send a .pdf file containing your comments to audacm@dodig.mil. Copies of your comments must have the actual signature of the authorizing official for your organization. We are unable to accept the / Signed / symbol in place of the actual signature. If you arrange to send classified comments electronically, you must send them over the SECRET Internet Protocol Router Network (SIPRNET).

We appreciate the courtesies extended to the staff. Please direct questions to me at (703) 604-9201 (DSN 664-9201).

A handwritten signature in black ink, reading "Richard B. Jolliffe", is positioned above the printed name.

Richard B. Jolliffe
Assistant Inspector General
Acquisition and Contract Management



Results in Brief: Defense Contract Management Agency Acquisition Workforce for Southwest Asia

What We Did

Our objective was to determine Defense Contract Management Agency (DCMA) requirements to support Southwest Asia (SWA) contracting operations and the number of available DCMA civilian, military, foreign national, and support contractors supporting the operations. Specifically, we determined whether DCMA identified its requirements to support SWA contracting operations. We also evaluated whether a sample of the DCMA acquisition workforce for SWA was adequately trained and certified.

What We Found

As of December 31, 2008, DCMA provided contract oversight and contract administration for contract actions valued at \$1.3 trillion.

DCMA could not determine its resource requirements for contractor oversight and contract administration in SWA because:

- DCMA is reactive rather than proactive in assuming its role to provide contractor oversight and contract administration,
- DCMA did not define its acquisition workforce requirements to support contracting operations in SWA,
- AT&L does not require Defense agencies to document acquisition workforce requirements, and
- DCMA must be delegated contractor oversight and contract administration responsibility for work in SWA.

DCMA Southwest Asia personnel did not have the proper training and certification for contingency contracting positions in SWA. Specifically, of the 221 DCMA personnel training records reviewed from a universe of 1,170 from FY 2004 through FY 2009:

- 103 DCMA personnel were not fully qualified for the position occupied, and
- 57 quality assurance representatives did not have or could not produce proof of Defense

Acquisition Workforce Improvement Act certification.

In addition, of the 75 position descriptions DCMA provided, 30 position descriptions were either incorrect or did not have a requirement for certification.

What We Recommend

The Under Secretary of Defense for Acquisition, Technology, and Logistics (USD[AT&L]) review quarterly DCMA Southwest Asia acquisition workforce requirements and reduce the grace period to obtain required certifications to 6-months for contingency operations.

The Director, DCMA, define acquisition workforce requirements for Southwest Asia, review and update personnel training records to ensure candidates possess required training and certification before deployment on contingency operations.

Management Comments and Our Response

The Director, Defense Procurement and Acquisition Policy, responded for USD(AT&L) and the Director, DCMA. His comments were generally responsive. Based on the Director's comments, we revised the recommendation on the grace period to obtain required certifications for personnel assigned to support contingency operations from 24 months to 6 months. We request further comments from the USD(AT&L) on the revised recommendation. His comments also noted that four recommendations had been or would be implemented in December 2009 or January 2010. We request that the Director, DCMA, provide verification that two of the agreed-to recommendations have been implemented or provide specific date(s) when the recommended actions will be completed.

Recommendations Table

Management	Recommendations Requiring Comment	No Additional Comments Required
Under Secretary of Defense for Acquisition, Technology, and Logistics	B.1.	A.1.a, A.1.b
Director, DCMA	A.2., B.2.b	B.2.a, B.2.c, B.2.d

Please provide comments by May 10, 2010.

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Introduction

Objectives

The overall objective of this audit was to determine Defense Contract Management Agency (DCMA) requirements to support Southwest Asia (SWA) contracting operations and the number of available DCMA civilian, military, foreign national, and support contractors supporting the operations. Specifically, we determined whether DCMA identified its requirements to support SWA contracting operations. In addition, we evaluated whether the DCMA acquisition workforce for SWA was adequately trained and certified.

Background

DOD Criteria

DOD Instruction 5000.55, “Reporting Management Information on DOD Military and Civilian Acquisition Personnel and Positions,” November 1, 1991, established a management information system capable of providing standardized information on acquisition positions and on persons serving in acquisition positions. In addition, the instruction attempts to create a DOD-wide capability for monitoring, reporting, and tracking the composition, education, experience, and training status of the acquisition workforce and to establish uniform procedures for submitting manpower, personnel, and assignment information on selected DOD acquisition workforce civilian and military personnel. The instruction also establishes procedures for reporting functional and training-related data on selected DOD civilian and military personnel to evaluate the mandatory training requirements and status of the acquisition workforce.

DOD Manual 5000.52-M, “Acquisition Career Development Program,” November 1995, established the DOD Acquisition Career Development Program. The manual includes procedures for effective career development of the acquisition workforce in the Department of Defense and incorporates the requirements of section 1746, title 10, United States Code. The program establishes experience, education, and training standards for specific acquisition workforce position categories and career fields, provides for certification guidelines of acquisition workforce members, and provides career paths for the acquisition workforce.

DOD Instruction 5000.66, “Operation of the Defense Acquisition, Technology, and Logistics Workforce Education, Training, and Career Development Program,” December 21, 2005, replaced DOD Manual 5000.52-M. The instruction provides revised uniform guidance for managing acquisition workforce positions and career development.

DCMA

DCMA is the DOD Component that works directly with Defense suppliers to help ensure that DOD, Federal, and allied Government supplies and services are delivered on time, at

projected cost, and meet all performance requirements. DCMA directly contributes to the military readiness of the United States and its allies, and helps preserve the nation's freedom.

DCMA professionals serve as “information brokers” and “in-plant representatives” for military, Federal, and allied Government buying agencies during the initial stages of the acquisition cycle and throughout the life of the resulting contracts. DCMA provides contract administration services to the DOD acquisition enterprise and its partners to ensure the delivery of quality products and services to the warfighter.

DCMA reported that its civilian staffing decreased from 19,403 full-time equivalents as of October 1, 1992, to 9,423 as of December 31, 2008 (a 51 percent decrease). DCMA military staffing decreased from 570 on January 1, 2003, to 542 as of December 31, 2008. From October 1, 1999 through December 31, 2008, the number of DCMA-administered contracts increased from 309,000 to 321,000, while the obligated value of those contracts increased from \$866 billion to \$1.3 trillion (50 percent increase). Conversely, during the same period the number of contractors administered by DCMA decreased from 18,600 to 18,500.

DCMA International

DCMA International is one of six DCMA product divisions. As of July 2009, DCMA International was staffed with more than 500 civilian and military personnel in 26 countries performing contract administration, business, and performance oversight of more than 10,000 contracts valued in excess of \$8 billion dollars.¹ DCMA International is also responsible for DCMA's contingency contracting administrative mission in direct support of the overseas contingency operations in Iraq and Afghanistan.

DCMA Combat Support Center

The DCMA Combat Support Center (a component of DCMA Headquarters) performs critical communications and emergency planning for all actions and events that affect Defense contractors. Its two major roles are to be a central communication and integration link between DCMA, the Joint Staff, and the field activities; and to establish the policy for how DCMA is to perform as a stand-alone combat support agency. As of July 2009, the Combat Support Center was staffed with 34 civilian and military personnel.

Joint Contracting Command Iraq/Afghanistan

The Joint Contracting Command Iraq/Afghanistan (JCC I/A) provides contracting support of supplies, services, and construction in a manner that directly supports the operational Coalition Forces mission in the relief and reconstruction of Iraq and Afghanistan. An October 19, 2007, Acting Under Secretary of Defense for Acquisition, Technology, and Logistics (USD[AT&L]) memorandum required that upon award of any

¹ DCMA officials stated that the \$8 billion does not include the Logistics Civil Augmentation Program (LOGCAP) because the prime contract management office captures the value of LOGCAP contract actions.

contract, the DOD procuring contracting officer assigns contract administration to the JCC I/A for the portion of the contract relating to Iraq or Afghanistan. An October 25, 2007, Director, Defense Procurement and Acquisition Policy memorandum required that DOD procuring contracting officers assign contract administration to the JCC I/A to oversee contractor compliance with policies, directives, and contract terms and conditions. The memorandum also directed the JCC I/A to reassign all other Federal Acquisition Regulation (FAR) Part 42, "Contract Administration and Audit Services," contract administration responsibilities to DCMA or a similar organization with relevant contract administration capabilities.

Memorandum of Agreement

On April 30, 2008, the Commander, JCC I/A, and the Director, DCMA, signed a memorandum of agreement (MOA) documenting the mutually agreed to Concept of Operations between JCC I/A and DCMA for the execution of the Theater-Wide Contract Administration (TWCA) mission. The MOA outlined the procedures for the delegation of contract administration to DCMA.

The MOA noted that after the procuring contracting officer delegates contract administration to the JCC I/A, a JCC I/A operations officer would notify a DCMA theater-wide administrative contracting officer through a delegation letter of JCC I/A intention to re-delegate contract administration to DCMA. In the MOA, DCMA agreed to administer contracts including armed security, translator, and interpreter contracts; hazardous materials contracts; and foreign military sales contracts. DCMA also agreed to perform multiple contract administration activities including Government property administration support, commodity-specific quality assurance support, and material surveillance and receipt inspections on high-risk items such as ammunition. Contract actions subject to DCMA administration included theater-wide indefinite-delivery, indefinite-quantity and blanket purchase agreement actions, and regional contracting centers' indefinite-delivery, indefinite-quantity and blanket purchase agreement actions with multiple payments.

Contracts not generally delegated to DCMA under the agreement included simple commodity contracts, commodity contracts, and service contracts under the simplified acquisition threshold; and regional contracting centers' indefinite-delivery, indefinite-quantity and blanket purchase agreements with orders requiring only one delivery. In accordance with the MOA, DCMA will not accept delegation of construction contracts. In the event of a disagreement on actions to be delegated, the MOA established a joint resolution board, consisting of JCC I/A and DCMA personnel, to discuss the issues and determine what actions will be performed and by whom.

JCC I/A Contract Actions Delegated to DCMA

According to DCMA, the total value of all contracts delegated to JCC I/A during FY 2008 was \$7.5 billion encompassing 41,125 contract actions. During FY 2008, DCMA accepted TWCA delegations from JCC I/A of 756 contract actions valued at \$6.6 billion.

JCC I/A delegates approximately 2 percent of its workload and 88 percent of its contract dollar value to DCMA.²

Review of Internal Controls

DOD Instruction 5010.40, “Managers’ Internal Control (MIC) Program Procedures,” January 4, 2006, requires DOD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls. We identified internal control weaknesses for DCMA. DCMA officials did not establish adequate internal controls to define its acquisition workforce requirements to support contracting operations in SWA or ensure that the acquisition workforce personnel for those operations were appropriately trained and Defense Acquisition Workforce Improvement Act (DAWIA) certified. Implementing recommendations in Findings A and B will improve internal control deficiencies identified in this report. A copy of this report will be provided to the senior official responsible for internal controls in DCMA and in the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics.

² DCMA officials provided the amount; however, we did not validate the data as it was not within the scope of our audit.

Finding A. Acquisition Workforce Requirements

DCMA could not determine its resource requirements for contractor oversight and contract administration in SWA. This occurred because:

- DCMA is reactive rather than proactive in assuming its role to provide contractor oversight and contract administration in SWA,
- DCMA did not define its acquisition workforce requirements to support contracting operations in SWA,
- AT&L does not require Defense agencies to document acquisition workforce requirements, and
- DCMA must be delegated contractor oversight and contract administration responsibility for work in SWA.

As a result, DCMA is at high risk for not meeting its mission requirements in SWA to support overseas contracting operations. Also, the constant turnover of DCMA staff and lack of written plans results in gaps in the contractor oversight process.

DCMA Acquisition Workforce in Southwest Asia

We requested that DCMA document the number of DCMA civilian, military, foreign national, and support contractors supporting SWA operations. As of May 2009, the DCMA SWA Acquisition Workforce included 268 military and civilian full-time equivalent personnel. DCMA officials noted that DCMA requested and received FY 2008 and 2009 funding from the Office of the USD(AT&L) to support DCMA emergency-essential contingency support positions on a continuing basis.

DCMA reported no contractor or foreign national personnel as part of its acquisition workforce. DCMA officials stated that contractor and foreign national personnel are not performing FAR Part 42 contract administration functions in SWA. DCMA officials also stated that DCMA does not (nor is required to) report the number of contractor and foreign national personnel in the acquisition workforce. However, the Logistics Civil Augmentation Program (LOGCAP) contract requires contractor personnel to perform contract administration functions. As a result, an unknown number of contractor and foreign national personnel may be supplementing the contract administration workforce. DCMA personnel admitted that they have no model or method for determining the optimum SWA workforce.

DCMA Contract Administration of LOGCAP Contract

The Army awarded the LOGCAP III contract to Kellogg, Brown, and Root in 2001 and delegated the responsibility of managing the LOGCAP III contract to DCMA in August 2006. Although DCMA was delegated contract administration authority for the LOGCAP III contract, DCMA relied on the prime contractor to perform quality assurance, inspections, and repair in those facilities. DOD Inspector General (IG) Report

No. IE-2009-006, “Review of Electrocution Deaths in Iraq: Part I – Electrocution of Staff Sergeant Ryan D. Maseth, U.S. Army,” July 24, 2009, found that the prime contractor did not advise DCMA of electrical deficiencies in facilities that soldiers and contractors occupied. As a result, one service member died in those facilities due to faulty electrical wiring and improperly grounded electrical equipment. The report stated that the Government in good faith relied upon the contractor to provide qualified people to do the work as part of the “workmanlike” standard and quality provisions provided for under the terms of the contract. In addition, the report stated that LOGCAP III Support Unit contracting officer acceptance of prime contractor assumptions during contract negotiations resulted in a false perception that buildings and peripheral equipment were in acceptable condition during the transfer of Radwaniyah Palace Complex facility operations and maintenance to LOGCAP III.

The U.S. Army Sustainment Command awarded contract W52P1J-07-D-0010 on February 16, 2007, to support the LOGCAP oversight duties in performing contingency operations in SWA. DCMA officials stated they were responsible for administering contract W52P1J-07-D-0010. DCMA officials also stated that the W52P1J-07-D-0010 prime contractor was not performing FAR Part 42 contract administration functions; rather, the prime contractor was performing contract administration over the actions of W52P1J-07-D-0010 subcontractors. DCMA officials noted that the prime contractor kept them informed of their work on the contract. Furthermore, contract W52P1J-07-D-0010 clearly stated the prime contractor was to perform contract administration. We concluded that DCMA officials did not consider the prime contractor’s work to be FAR Part 42 contract administration functions, nor did they consider contractor personnel to be part of the acquisition workforce. We plan to perform a follow-on audit of this contract during FY 2010.

Resource Requirements for Contractor Oversight and Contract Administration

DCMA could not determine its resource requirements for contractor oversight and contract administration in SWA because DCMA is reactive rather than proactive and it had no defined workforce requirements. In addition, DCMA does not have contract oversight authority unless or until it receives a delegation of contract administration from the contracting authority. DOD IG Report D-2008-086, “Challenges Impacting Operations Iraqi Freedom and Enduring Freedom Reported by Major Oversight Organizations Beginning FY 2003 through FY 2007,” July 18, 2008, stated that DOD continues to face long-standing problems including:

- lack of adequate contract oversight personnel,
- limited visibility over contractors and contractor activity, and
- limited collection and sharing of institutional knowledge.

The lack of personnel to perform contractor oversight was more severe for demanding contracting environments such as Iraq and Afghanistan. Without an adequate number of

personnel to perform oversight of the contractors, DOD increases its risks that contractors are not meeting contract requirements.³

Acquisition Workforce Planning

DCMA officials stated that they are reactive rather than proactive in supporting SWA contract operations because the contract workload guides their acquisition workforce planning requirements. DCMA officials also stated that they cannot plan ahead for the number of personnel needed in SWA to support contracting operations because they do not know what the contract workload will require in acquisition workforce personnel over the next 6 months. If the Office of the USD(AT&L), JCC I/A, and DCMA do not plan on at least a quarterly basis to support contracting operations in SWA, they risk acquisition workforce personnel shortages and may not be able to provide continuous contract oversight and administration.

Acquisition Workforce Requirements

DCMA officials did not define their acquisition workforce requirements to support contracting operations in SWA. DCMA officials also noted there is no mathematical model to determine how many personnel are needed to support contracting operations. The DCMA SWA field commanders generate requirements for additional personnel through an e-mail to DCMA International. DCMA International validates the requirement for additional personnel. After verification, the DCMA Combat Support Center fills the requirement and within 90 days personnel are deployed for 6 months to support contracting operations in SWA. DCMA officials noted that all notifications for additional personnel are generated through e-mail.

Requirements to Document Acquisition Workforce

DCMA officials stated that they have no acquisition workforce plan and there was no DOD guidance that required DCMA to formally define its workforce requirements. We reviewed DOD policy and guidance and found no existing criteria that require Defense agencies to document acquisition workforce requirements. However, without a plan that realistically accounts for the ongoing and future workload and the workforce needed, DCMA cannot effectively transfer knowledge of the many programs it oversees to its highly transitory acquisition workforce or oversee the programs. AT&L should provide guidance requiring Defense agencies to document their acquisition workforce requirements.

Delegation Letters

DCMA officials stated that they have no authority to perform work on a contract until they receive a JCC I/A delegation letter. The JCC I/A delegation letters guide the DCMA acquisition workforce requirements to support contracting operations in SWA. However, JCC I/A has taken several months to notify DCMA in a delegation letter to provide

³ Also noted in GAO Report No. GAO-07-145, "Military Operations: High-Level DOD Action Needed to Address Long-Standing Problems with Management and Oversight of Contractors Supporting Deployed Forces," December 2006.

contract administration functions. For example, a February 27, 2008, JCC I/A delegation letter to DCMA to perform contract administration functions covering security and translator contracts was for a contract with a start date of April 26, 2007. Another contract under the same delegation letter had a start date of October 1, 2007. Therefore, DCMA may not have contract oversight and administration over a contract until several months after the start date.

Meeting DCMA Mission Requirements

DCMA may be unable to meet its mission requirements in SWA to support overseas contracting operations. See Appendix C for a detailed discussion of the Gansler Commission Report recommendations and subsequent DoD actions. The constant turnover of DCMA staff and lack of written documentation inhibits continuity of operations and effective knowledge transfer within the acquisition workforce. Planning documentation would provide assurance that DOD assets are safeguarded from fraud, waste, and abuse, and ensure that the warfighter is not adversely impacted due to lack of oversight.

In June 2009, the Commission on Wartime Contracting in Iraq and Afghanistan⁴ issued an interim report to Congress, “At What Cost? Contingency Contracting in Iraq and Afghanistan.” The report noted that DCMA was responsible for applying a uniform set of oversight procedures to ensure that DOD contractors are held accountable for failure to comply with laws, regulations, and contract terms and conditions. The Commission noted that inadequate oversight, combined with poorly written statements of work, lack of competition, and contractor inefficiencies have contributed to billions of dollars in wasteful spending. The Commission noted that the lack of Government subject matter experts allowed safety hazards and contractor inefficiencies to go undetected.

The Commission noted that DCMA should be staffed with additional administrative contracting officers and quality assurance representatives. The Commission also noted that the scarcity of property administrators would impede management of the vast amount of material in theater. Further, the lack of trained and experienced Government oversight personnel, such as quality assurance representatives, greatly increases the risk of contractors failing to properly execute the terms and conditions of the contract.

Management Corrective Actions

In March 2009, the Director, DCMA, announced that senior leadership had agreed on the key elements of a strategic plan, finalized plans for a functional alignment, and identified the following priorities that DCMA must focus on:

- “grow” and retool the Agency workforce through an intern program and increase emphasis on external recruitment and internal development;

⁴ In 2008, Congress established the Commission on Wartime Contracting in Iraq and Afghanistan in response to increasing indications of widespread waste, fraud, and abuse in Government contracting.

- develop and assess functional skills requirements needed to renew workforce competence in core processes starting with contracting, quality, and engineering; and
- establish policy infrastructure, define policy structure, and promulgate policy and process guidance.

As of July 2009, DCMA had established a team to develop a detailed Concept of Operations for its planned realignment. In August 2009, DCMA published a strategic plan for FY 2009 through FY 2013.

Conclusion

DCMA can not readily identify what resources it needs to provide contract oversight and contract administration in SWA because it must rely on receiving a delegation letter from the JCC I/A before determining the number of personnel that will be needed. AT&L needs to provide guidance to help Military Departments and Defense agencies identify acquisition workforce requirements. DCMA needs to define requirements for its civilian and military acquisition workforce to support contracting operations in SWA and ensure continuous contractor oversight and contract administration. In a *Defense AT&L* interview, “Taking DoD Contracting From Good to Great,” May-June 2009, the Director, DCMA stated that human capital staff members have been diligently working on creating an updated Strategic Human Capital Plan focused on creating a vision for the DCMA workforce of the future. The plan would focus on building and managing an acquisition workforce that can meet current and future needs. The Director also stated that DCMA would use workforce development funds to “grow” its workforce and DCMA had assessed the current skills and competencies of the agency as well as future requirements identified by its customers to determine the agency’s personnel shortfalls.

Recommendations, Management Comments, and Our Response

A.1. We recommend that the Under Secretary of Defense for Acquisition, Technology, and Logistics:

a. **Revise DOD Instruction 5000.66, “Operation of the Defense Acquisition, Technology, and Logistics Workforce, Education, Training, and Career Development Program,” December 21, 2005, to require Defense agencies to develop guidance to identify acquisition workforce requirements including the number of military and civilian personnel needed to support their acquisition and contracting operations.**

Management Comments

The Director, Defense Procurement and Acquisition Policy, responding for the Office of the USD(AT&L), agreed with the intent of a draft report recommendation to revise DOD

Instruction 5000.55. However, the Director stated that DOD Instruction 5000.55 was being cancelled and that DOD Instruction 5000.66 would instead be revised to require Military Departments and Defense agencies to develop guidance to identify acquisition, technology, and logistics workforce requirements in accordance with DOD Instruction 1400.25, volume 250, “Civilian Strategic Human Capital Planning;” DOD Instruction 1100.22, “Guidance for Determining Workforce Mix;” and DOD Financial Management Regulation 7000.14-R, volume 2B, chapter 19. The Director noted that the revised DOD Instruction 5000.66 would be completed by June 30, 2010.

Our Response

The Director, Defense Procurement and Acquisition Policy, comments were responsive. No additional comments are required.

b. Perform quarterly reviews of the Joint Contracting Command Iraq/Afghanistan requirements of the Defense Contract Management Agency’s Southwest Asia acquisition workforce.

Management Comments

The Director, Defense Procurement and Acquisition Policy, responding for the Office of the USD(AT&L), agreed, stating that the Office of the USD(AT&L) will ensure that DCMA executes these reviews to determine the appropriate DCMA manning level needed to support Contingency Contracting Administration Services (CCAS). However, DCMA should not be performing these quarterly reviews in place of the U.S. Central Command. The Director noted that DCMA is responsible for providing CCAS support to the U.S. Central Command, and the U.S. Central Command is responsible for giving DCMA authoritative direction regarding U.S. Central Command’s CCAS requirements to support its military operations. The Director stated that DCMA then provides by-name reporting of deployed personnel to U.S. Central Command on at least a quarterly basis. The Director also noted that the Office of the USD(AT&L) formed and conducted a separate joint working group and senior leadership management oversight team to discuss the DCMA CCAS role and responsibilities and the Services’ future role in CCAS.

Our Response

The Director, Defense Procurement and Acquisition Policy, comments were responsive, and no additional comments are required.

A.2. We recommend that the Director, Defense Contract Management Agency, develop a written plan within 90 days from the date of this report defining civilian and military acquisition workforce requirements needed to support contracting operations in Southwest Asia.

Management Comments

The Director, Defense Procurement and Acquisition Policy, responding for the Director, DCMA, agreed, stating that although DCMA lacked a documented policy, DCMA

collaborated with organizations providing contract delegations and performed resource requirements analyses in a dynamic contracting support atmosphere. In addition, the Director stated that DCMA has continuously refined its military and civilian human capital resource plan and requirements to ensure that it deploys qualified personnel and meets its delegated theater contract oversight support obligations. The Director noted that DCMA prepared a draft CCAS concept of operations that provides a concept for executing the CCAS mission. However, the Director stated that the specific skill sets and staffing structure required for the CCAS mission is situation-dependent, mission-focused, and warfighter-requirements driven. The Director noted that DCMA will continue to use its existing contract receipt and review process to identify and define the required military and civilian acquisition workforce requirements to support delegated acquisition support operations in SWA and that DCMA has proactively integrated itself with the theater leadership command structure to identify, define, and help focus future workload requirements.

The Director noted that once the concept of operations is published, DCMA will be in compliance with the intent of Recommendation A.2 to establish written procedures that define civilian and military acquisition workforce requirements needed to support current and future CCAS missions. The Director also noted that DCMA will review the current (draft) concept of operations to ensure that the intent of the recommendation is addressed. The Director stated the DCMA review would be completed by January 15, 2010.

Our Response

The Director's comments were partially responsive. In subsequent discussions, DCMA management agreed that the January 15, 2010 date to develop a written plan defining civilian and military acquisition workforce requirements to support SWA operations had not been met, and that DCMA was in the process of adjusting the completion date. We request that Director, DCMA, provide verification or a date when the recommended action will be completed.

Finding B. Defense Contract Management Agency Workforce Qualifications

DCMA SWA personnel did not have the proper training and certification for contingency contracting positions in SWA. Specifically, of the 221 DCMA personnel training records for FY 2004 through FY 2009 reviewed from a universe of 1,170 personnel deployed to SWA:

- 103 DCMA personnel were not fully qualified for the position occupied, and
- 57 quality assurance representatives (QAR) supporting contingency contracting operations did not have or could not produce proof of DAWIA certification.

In addition, of the 75 position descriptions DCMA provided, 30 position descriptions used to support contingency contract operations did not have proper DAWIA certification levels or contain any requirement for certification. The lack of fully trained personnel in SWA occurred because:

- DOD guidance allows 24 months for an individual assigned to a designated position to meet the training and certification requirements even though the typical assignment in SWA is only 6 months,
- DCMA combat support personnel did not verify applicants' work experience and DAWIA certification before offering or allowing individuals to accept an assignment in SWA when the applicants did not require a warrant, and
- the DCMA acquisition workforce in SWA is transitory.

As a result, a major part of the DCMA workforce deployed to SWA was not qualified to support contracting operations in SWA, putting the Government at higher risk for fraud, waste, and abuse, and the warfighter at higher risk for injury.

Acquisition Workforce Training and Certification Criteria

Defense Acquisition Workforce Improvement Act

The 1990 Defense Acquisition Workforce Improvement Act (DAWIA) (section 1701-1764, title 10, United States Code) was enacted to improve the effectiveness of the civilian and military acquisition workforce through enhanced education, training, and career development, and thereby improve the acquisition process. DAWIA requires DOD to establish career paths for those people who want to pursue careers in acquisition.

DOD Training and Certification Guidance

DOD Instruction 5000.66 designates and identifies:

- AT&L positions;
- position requirements;
- maintenance of competencies through education, training, and experience;
- management of the Defense Acquisition Corps;

- selection and placement of personnel in acquisition positions; and
- workforce metrics.

Section 4 states:

... the primary objective of the AT&L Workforce Education, Training, and Career Development Program is to create a professional, agile and motivated workforce that consistently makes smart business decisions, acts in an ethical manner, and delivers timely and affordable capabilities to the warfighter.

Section E2.2.7 defines certification, and section E2.2.7.1 describes the various levels of certification.

Certification recognizes the level to which a member of the AT&L Workforce has achieved functional and core acquisition competencies required by a specific career field. DOD Components certify members of the AT&L Workforce using the uniform DOD certification standards. ... These functional and core acquisition competencies have been divided into three levels: basic (Level I); intermediate (Level II) and advanced (Level III).

DCMA Southwest Asia Workforce Training and Certification

DCMA SWA personnel did not have the proper training and certification for contingency contracting positions in SWA. The DCMA workforce supporting contracting in SWA is composed of five major positions,⁵ which consists of the commander, contract administrator, property administrator, administrative contracting officer, and the quality assurance representative. Civilian and military personnel from various occupational series fill these positions.

DCMA Training and Certification Levels

Certification is a means of determining whether personnel are properly trained and qualified for a specific job. The DAWIA certification process includes basic or core competencies that acquisition workforce personnel must complete and also includes functional competencies tailored to specific career fields. The basic, core, and functional competencies include the knowledge, skills, and abilities necessary to facilitate business decisions to support DOD in delivering goods and services to the warfighter. A person in an acquisition workforce position is expected to possess the competencies to perform in their current assignment and develop their potential for career progression. DCMA adopted the training and certification levels established in the Defense Acquisition University (DAU) Career Field Certification and Core Plus Development Guides for its

⁵ Contracting officer representatives and contracting officer technical representatives are provided by the Military Service and not assigned to the DCMA acquisition workforce.

acquisition workforce. There is a guide for each career field at each level: Level I (Entry), Level II (Intermediate), and Level III (Advanced). Each guide is also divided into at least four major sections: Types of Assignments, Core Certification Standards, Unique Position Training Standards, and Core Plus Development Guide. Although DAU has developed a curriculum to meet DAWIA requirements and provides specialized training for contingency operations, it does not grant DAWIA certification. To achieve certification, a member of the acquisition workforce must meet core acquisition training, functional training, education, and experience standards before applying for certification through his or her DOD Component processes. Members of the acquisition workforce have 24 months from the time they assume an acquisition position to meet these standards.

DCMA Workforce Qualification and Certification

DCMA did not consistently ensure that individuals were fully qualified and certified for their job series. Similarly, the DCMA Combat Support Center did not always re-evaluate qualifications before assigning these same individuals to contingency contracting vacancies in SWA. We were able to determine that 103 of the 221 personnel records that we reviewed did not have any or had inadequate documentation of training or certification as summarized in Table 2 below. See Appendix D for a detailed discussion of the sample methodology.

Table 2. Results of Sampled Personnel Records Reviewed

Sample Categories	QAR	ACO	CO	CA	OPS	PA	Admin	Total
No documentation	54	16	13	6	0	6	0	95
Inadequate certification for position	3	1	0	0	0	1	0	5
No certification		3						3
Subtotal	57	20	13	6	0	7	0	103
Sufficient documentation	24	46	9	9	0	3	0	91
No certification required	0	0	0	0	20	0	7	27
Total	81	66	22	15	20	10	7	221

ACO _ administrative contracting officer
Admin _ administration support
CA _ contract administrator
CO _ commander
OPS _ operations support
PA _ property administrator
QAR _ quality assurance representative

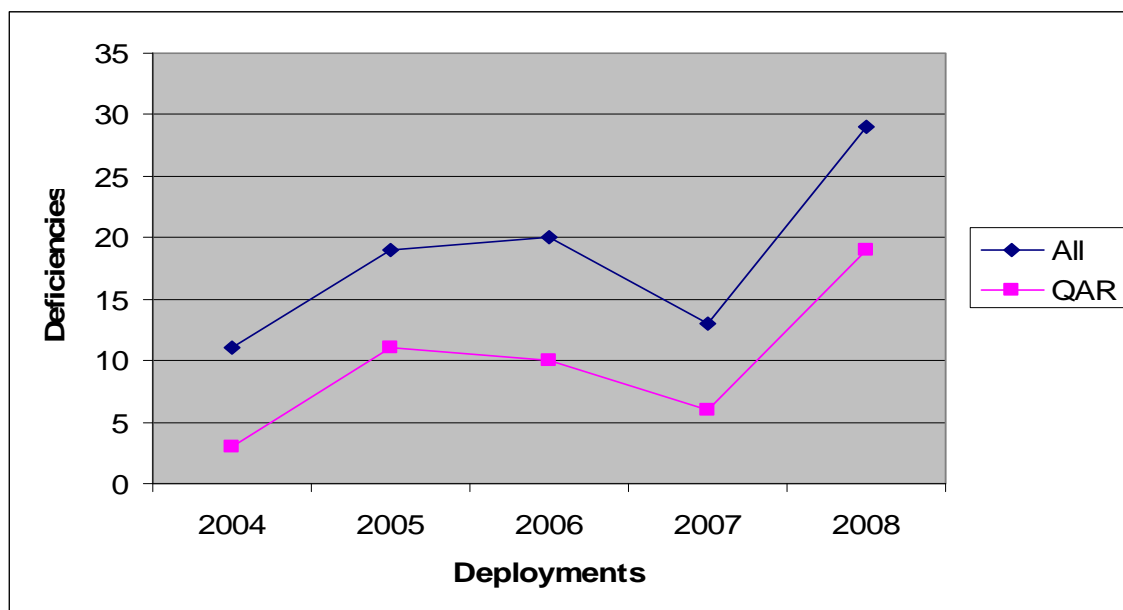
DCMA QAR Positions in Southwest Asia

We compared 81 QAR positions in SWA with 28 DCMA QAR position descriptions for SWA. Those position descriptions describe the duties of the position and the level of experience desired and required. For 21 of the 28 QAR position descriptions, DCMA did

not list a requirement for a specific DAWIA certification level. DAWIA Level II certification was the minimum requirement for the remaining seven position descriptions. The lack of consistency with regard to position certification levels may contribute to a DCMA SWA acquisition workforce staffed with personnel not fully qualified to occupy certain positions.

At the request of DCMA officials, we performed a trend analysis to determine whether DCMA was improving from one year to another in eliminating the number of training and certification deficiencies of personnel used to fill its acquisition workforce positions in SWA and, in particular, the QAR positions from FY 2004 to FY 2009. DCMA officials stated that policies implemented in FY 2007 had improved procedures for filling these vacancies.⁶ Our analysis confirmed that the number of deficiencies in FY 2007 had decreased but in FY 2008, the deficiencies had again increased as shown in the figure. In the first quarter of FY 2009, the number of QAR deficiencies was higher than the total number of deficiencies reported in FY 2007.⁷

Training and Certification Deficiencies



DCMA Position Descriptions

DOD Instruction 5000.66 states that the heads of DOD Components must design policies and processes to ensure that the best qualified persons are selected for Acquisition, Technology, and Logistics positions. The position descriptions are significant tools used to hire a person that possesses the desired skills to perform specific duties. Therefore, the position descriptions should be complete, accurate, and correspond with DAU guidance.

⁶ Our analysis covered the first quarter of FY 2004 through the first quarter of FY 2009.

⁷ In FY 2007, we identified 6 QAR deficiencies out of 11 total deficiencies. For the 1st quarter of FY 2009, we identified 8 QAR deficiencies out of 11 total deficiencies.

However, of the 75 DCMA SWA-related position descriptions we reviewed, 30 did not contain all of the elements for the specific certification level as outlined in the Career Field Certification and Core Plus Development Guides. Contrary to DAU guidance, 17 position descriptions did not specify a certification requirement.

DOD Guidance and Filling Southwest Asia Vacancies

The lack of DCMA personnel with appropriate certifications in SWA occurred because:

- DOD guidance allows an incumbent 24 months to meet the training and certification requirements,
- DCMA officials did not verify the work experience and DAWIA certification of applicants not requiring a warrant before offering or allowing an individual to accept an assignment in SWA, and
- the DCMA acquisition workforce is transitory.

24-Month Exception

DOD Instruction 5000.66 allows an individual assigned to a designated position 24 months to meet the training and certification requirements even though the typical assignment in SWA is only 6 months. DOD Components are responsible for ensuring that individuals have met the requisite competencies to attain certification requirements in a timely manner. The core competency areas are: acquisition training, functional training, education standards, and experience standards. An individual must meet all these elements before applying for a certification through the respective DOD Component or organization. When an individual is placed in an acquisition workforce position, the organization must either document that the appropriate training has been acquired and that the certification level has been met or establish a plan for these requirements to be accomplished in 24 months.

DCMA Process to Fill Vacancies in Southwest Asia

DCMA Combat Support personnel did not verify the work experience and DAWIA certification of applicants not requiring a warrant before offering or allowing an individual to accept an assignment in SWA. The DCMA Deputy Director, Combat Support Center, stated that when he received a request to fill a billet in SWA, he did not always verify that the selected individual possessed the appropriate training and certification before assigning the individual to the position. DCMA officials stated that the process for filling those positions varied according to the position itself. According to the Deputy Director, the process for filling an administrative contracting officer (ACO) position was to select a candidate from the lists of volunteers, request the warrant package from DCMA headquarters, and ensure the person met all the necessary criteria to be warranted. This was done carefully by DCMA personnel because a person with a warrant can administer and oversee Government contracts.

According to the Deputy Director, the selection process for other SWA positions was not as thorough. For example, when a QAR position was filled, there was no additional verification of the candidate's qualifications. As a result, for the 81 QARs we reviewed

that supported contingency contracting operations during FY 2004 through FY 2009, DCMA did not have or could not produce proof of DAWIA certification for 57. Consequently, DCMA had no assurance those personnel were qualified to perform their duties effectively.

DCMA QARs in SWA are typically the Government liaison responsible for facilitating interaction and coordination between Military organizations, other Government agencies, and prime/sub-contractor management on QAR issues. DCMA QARs are considered part of the DOD Acquisition, Technology, and Logistics workforce (which is defined as those individuals who occupy AT&L positions in the DOD). The QARs deployed to SWA provide a wide range of contract management services within a harsh environment. These services include developing quality assurance surveillance plans, implementing and assessing the effectiveness of the contractor performance, and overseeing the surveillance activities of the contract officer representatives.

Even though ACO duties and responsibilities vary slightly by region and assignment, the main focus of an ACO is to administer, monitor, and perform contract oversight that is critical to the warfighter in a contingency environment. See Appendix E for more information on the duties of the ACOs in SWA. Similarly, the warfighter is relying on the QARs to provide the same level of support, and these individuals should be highly trained and skilled.

Transitory Acquisition Workforce

DCMA does not use permanent billets for SWA operations. Rather, DCMA officials stated that SWA personnel are deployed for 6-month temporary duty assignments in support of contracting operations. The DCMA acquisition workforce in SWA is transitory and changes every month with personnel arriving and departing when their 6 month temporary deployment has expired. In addition, 30 to 45 percent of DCMA International's civilian workforce leaves the agency every year. We believe a transitory acquisition workforce increases the risk of inconsistent contract oversight and administration.

DCMA has made recent efforts to take into account knowledge management for its SWA operations. For example, on August 29, 2009, the Commander, DCMA Northern Iraq, established a template for an eContinuity book as a reference for DCMA Northern Iraq personnel to share relevant information concerning duty positions. The template includes information such as points of contact, duties and responsibilities, how to accomplish common tasks, document examples, equipment information, and the status of work in progress. Development and continuation of a revised DCMA approach to knowledge management for its transitory acquisition workforce is needed to reduce the risk that DCMA will not be able to ensure continuity of SWA contracting operations.

Conclusion

DCMA did not ensure that its workforce in SWA had the proper training and certification to provide contract management and oversight in a contingency operation. In our sample,

much of the DCMA workforce in SWA was not qualified to support contracting operations in SWA, putting the Government at higher risk for fraud, waste, and abuse, and the warfighter at higher risk for injury because DCMA did not ensure that those individuals possessed the required experience and education to administer and monitor contingency contracts. The acquisition workforce plays a vital role in contingency contracting operations in SWA. Consequently, it is imperative that selected individuals be properly trained and certified for positions that support the warfighter before arriving in SWA. The SWA region is too volatile for DCMA to rely on “on the job” training for its acquisition workforce. Rather, DCMA should fill these positions with the most highly experienced and trained workforce that can be provided. Candidates selected to fill these positions should already possess the required training and certifications before entering that environment. Without contract training for personnel assigned oversight duties, DOD cannot be assured that it paid fair and reasonable prices for goods and services purchased. The lack of a properly trained and equipped oversight staff can have severe consequences. For example, DOD Inspector General Report No. IE-2009-006, “Review of Electrocution Deaths in Iraq: Part I – Electrocution of Staff Sergeant Ryan D. Maseth, U.S. Army,” July 24, 2009, found that DCMA’s lack of contractor oversight and reliance on contractor assumptions to be contributing factors in the death and injuries of soldiers and contractors.

Recommendations, Management Comments, and Our Response

Revised Recommendation

As a result of management comments, we revised Recommendation B.1. to limit the grace period to obtain required certifications for individuals assigned to positions in support of contingency operations to 6 months.

B.1. We recommend that the Under Secretary of Defense for Acquisition, Technology, and Logistics revise DOD Instruction 5000.66, “Reporting Management Information on DOD Military and Civilian Acquisition Personnel and Positions,” November 1, 1991, to limit the grace period to obtain required certifications for individuals assigned to positions in support of contingency operations to 6 months.

Management Comments

The Director, Defense Procurement and Acquisition Policy, responding for the USD(AT&L), disagreed with the original recommendation that USD(AT&L) revise DOD Instruction 5000.66 to eliminate the 24-month grace period to obtain required certifications for individuals assigned to positions in support of contingency operations. The Director stated that DOD Instruction 5000.66, section E2.4.1.2, allows Components to establish a plan for individuals to meet requirements within 24 months of placement or within the timeframe established by the Component Acquisition Executive. The Director also referred to the ability to use an in-theater DAWIA waiver authority if deemed necessary. The Director noted that although it was the intent of DCMA to maintain an agile, qualified workforce during contingency operations, section E2.4.1.2 provided

flexibility for Components to establish a plan for an individual to meet the requirements within 24 months of placement. The Director stated that in the event that the in-theater operational mission necessitated implementation of the DAWIA waiver authority, DCMA would instill precautions to ensure that uncertified individuals were provided a structured and robust support system.

Our Response

The established 24-month grace period to obtain required certifications is too long for contingency operations. DCMA management noted during the audit that DCMA contingency operation deployments are 6 months and that personnel can be re-deployed after a return to the United States. The DCMA managers agreed that such personnel are deployed and potentially re-deployed without receiving proper certification. The 24-month grace period restarts with each re-deployment, which fosters a workforce not adequately certified for contingency operations. Based on further discussions with DCMA management, we revised the recommendation to limit the grace period for individuals in contingency operations to 6-months. This would allow non-certified individuals an initial deployment but would not extend the exemption for re-deployments. We request further comments from the USD(AT&L) on revised Recommendation B.1.

B.2. We recommend that the Director, Defense Contract Management Agency:

a. Review and update as needed, assigned civilian and military personnel training records to determine whether Defense Acquisition Workforce Improvement Act training has been completed and certification levels attained.

Management Comments

Responding for the Director of DCMA, the Director of Defense Procurement and Acquisition Policy, agreed. The Director stated that DCMA will review training certification records of personnel in key acquisition positions and update the records to reflect methods of verification and to contain documented evidence when necessary. The Director's comments noted that the action was completed on December 1, 2009.

Our Response

The Director's comments were partially responsive. In subsequent discussions, DCMA management agreed that the December 1, 2009, date to update training certification records of personnel in key acquisition positions had not been met and that DCMA had adjusted the completion date to August 2010. No additional comments are required.

b. We recommend that the Director, Defense Contract Management Agency, revise Defense Contract Management Agency position descriptions to include training requirements and certification levels in accordance with DOD Instruction 5000.66 and the Defense Acquisition University guidance.

Management Comments

The Director of Defense Procurement and Acquisition Policy, responding for the Director of DCMA, agreed. The Director stated that temporary duty personnel supporting CCAS in-theater would retain their Permanent Duty Station position description and that DOD Instruction 5000.66 provisions pertaining to training requirements and certification levels were applicable only to permanent positions designated as Critical Acquisition Positions. The Director stated that although DCMA adopted a resourcing strategy that maintained key acquisition and contract oversight capabilities, duty descriptions were not updated to reflect changes in DAWIA certification requirements. The Director stated that, based on our recommendation, DCMA would change the timeframe of the semiannual position validation and qualification designations to a quarterly review process that would have a clear description of qualifications and certification requirements. The Director noted that the action was completed on December 1, 2009.

Our Response

The Director's comments were partially responsive. In subsequent discussions, DCMA management agreed that the December 1, 2009 date to revise DCMA position descriptions to include training requirements and certification levels in accordance with DOD Instruction 5000.66 and the DAU guidance had not been met. We request that the Director, DCMA, provide verification or a date when the recommended action will be completed.

c. We recommend that the Director, Defense Contract Management Agency, ensure candidates possess required training and the appropriate Defense Acquisition Workforce Improvement Act certification before deployment when their assigned duties require them to support or administer contingency contracts within a combat environment.

Management Comments

Responding for the Director of DCMA, the Director of Defense Procurement and Acquisition Policy, agreed. The Director stated that DCMA will implement a 100-percent records validation of personnel scheduled for deployment to key acquisition positions 30 days after the identification of key acquisition positions.

Our Response

The Director's comments were responsive. On February 19, 2010, DCMA management provided us documentation showing that DMCA had completed the identification of key acquisition positions. Therefore, no additional comments are required.

d. We recommend that the Director, Defense Contract Management Agency, develop and institute a knowledge management transfer process for recurring transitory acquisition workforce personnel supporting contingency contracting operations or create permanent billets for acquisition workforce positions in Southwest Asia.

Management Comments

Responding for the Director of DCMA, the Director of Defense Procurement and Acquisition Policy, agreed. The Director noted current DCMA knowledge management processes for the transient workforce. The Director stated that DCMA will develop additional processes for the transient workforce during the quarterly Management Internal Control Review (or as required), if the current knowledge management processes are not being fully implemented. The Director noted that these processes were a continuous evaluation and improvement effort and did not have an implementation date.

Our Response

The Director, Defense Procurement and Acquisition Policy, comments were responsive, and no additional comments are required.

Appendix A. Scope and Methodology

We conducted this performance audit from September 2008 through September 2009 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We attempted to determine DCMA requirements to SWA contracting operations and the number of available DCMA civilian, military, foreign national, and support contractors sustaining such operations. In addition, we evaluated whether the DCMA acquisition workforce for SWA was adequately trained and certified. To accomplish the audit objective, we met with officials from the Office of the USD(AT&L), Arlington, Virginia; Headquarters, DCMA and DCMA International, Springfield, Virginia; DAU, Ft. Belvoir, Virginia; and the Government Accountability Office in Arlington, Virginia. Our purpose for these meetings was to obtain documentation of the workforce and training requirements for personnel occupying positions in SWA from FY 2004 through FY 2009. This information was gathered from the DCMA database. We assessed training records from DCMA to determine if personnel providing support for SWA were adequately trained for the positions held during that period. DCMA responsiveness to our information requests was inhibited because of DCMA inability to quickly identify, extract, and provide to us hardcopy personnel, training, and certification records for review.

Use of Computer-Processed Data

We obtained DCMA computer-processed fragmentary order (FRAGO) rosters that contained personnel records of DCMA International positions, the individuals deployed to SWA, and the dates those individuals were deployed on temporary duty in those positions between the 4th Quarter FY 2004 through the 1st Quarter FY 2009 in support of contingency contracting. From a universe of 1,170 records the Quantitative Methods and Analysis Division within the DOD Office of Inspector General developed a statistical sample of 221 records for the team to validate. We did not assess the reliability of the computer-processed data because we were only using the data to execute the production of a statistical sample. We only validated whether the data pertaining to DCMA personnel's DAWIA certification were accurate for the sample. We determined that using the computer-processed data from DCMA would not affect the reliability of the audit. See Appendix D for further discussion on the sampling methodology connected with the universe of 1,170 records.

Use of Technical Assistance

The DOD IG Quantitative Methods and Analysis Division assisted the audit team in conducting a statistical sample. See Appendix D for a detailed discussion of the statistical sampling methodologies.

Appendix B. Prior Coverage

During the last 5 years, the Government Accountability Office (GAO) and the Department of Defense Inspector General (DOD IG), Army Audit Agency, and the Air Force Audit Agency issued 15 reports discussing the DOD acquisition workforce as it pertains to SWA. Unrestricted GAO reports can be accessed over the Internet at <http://www.gao.gov>. Unrestricted DOD IG reports can be accessed at <http://www.dodig.mil/audit/reports>. Unrestricted Army reports can be accessed from .mil and gao.gov domains over the Internet at <https://www.aaa.army.mil>. Air Force Audit Agency reports can be accessed from .mil domains over the Internet at <https://afkm.wpafb.af.mil/ASPs/CoP/OpenCoP.asp?Filter=OO> by those with Common Access Cards.

Prior Coverage

GAO

GAO Report No. GAO-09-342, “Additional Actions and Data are Needed to Effectively Manage and Oversee DOD’s Acquisition Workforce,” March 2009

GAO Report No. GAO-09-114R, “Contract Management: DOD Developed Draft Guidance for Operational Contract Support but Has Not Met All Legislative Requirements,” November 20, 2008

GAO Report No. GAO-08-966, “Rebuilding Iraq: DOD and State Department Have Improved Oversight and Coordination of Private Security Contractors in Iraq, but Further Actions Are Needed to Sustain Improvements,” July 2008

GAO Report No. GAO-08-269, “Defense Contracting: Contract Risk a Key Factor in Assessing Excessive Pass-Through Charges,” January 2008

GAO Report No. GAO-07-145, “Military Operations: High-Level DOD Action Needed to Address Long-Standing Problems with Management and Oversight of Contractors Supporting Deployed Forces,” December 2006

GAO Report No. GAO-05-233, “Federal Acquisition: Progress in Implementing the Services Acquisition Reform Act of 2003,” February 2005

DOD IG

DOD IG Report No. D-2009-091, “Information Operations Contracts in Iraq,” July 31, 2009

DOD IG Report No. IE-2009-006, “Review of Electrocution Deaths in Iraq: Part 1 - Electrocution of Staff Sergeant Ryan D. Maseth, U.S. Army,” July 24, 2009

DOD IG Report No. IPO2009E001, “Review of Electrocution Deaths in Iraq: Part II – Seventeen Incidents Apart from Staff Sergeant Ryan D. Maseth, U.S. Army,” July 24, 2009

DOD IG Report No. SPO-2009-005, “Assessment of Electrical Safety in Afghanistan,” July 24, 2009

DOD IG Report No. D-2009-114, “Transition Planning for the Logistics Civil Augmentation Program IV Contract,” September 25, 2009

DOD IG Report No. D-2008-086, “Challenges Impacting Operations Iraqi Freedom and Enduring Freedom Reported by Major Oversight Organizations Beginning FY 2003 through FY 2007,” July 18, 2008

DOD IG Report No. D-2006-073, “Report on the DOD Acquisition Workforce Count,” April 17, 2006

Army Audit Agency

Audit Report: A-2008-0085-ALL, “Audit of Class III (Bulk and Retail) Fuel Operations in the Iraq Area of Operations Audit of Logistics Civil Augmentation Program Operations in Support of Operation Iraqi Freedom,” March 18, 2008

Air Force Audit Agency

Audit Report F200800006-FC1000, “Air Force Contract Augmentation Program,” June 9, 2008

Appendix C. Gansler Commission Report Recommendations

On August 29, 2007, the Secretary of the Army established the independent Commission on Army Acquisition and Program Management in Expeditionary Operations to review the lessons learned in recent operations and provide recommendations to ensure that future military operations achieve greater effectiveness, efficiency, and transparency. On October 31, 2007, the Commission published, “Urgent Reform Required: Army Expeditionary Contracting, Report of the Commission on Army Acquisition and Program Management in Expeditionary Operations.” The report was also known as the Gansler Commission Report.

The Gansler Commission Report found that DCMA was focused on the management of weapons systems contracts and was not vetted nor resourced to provide operational contract management for the types of contracting efforts supporting expeditionary operations base, post, camp, and station contracts. The report also found the DCMA had not been engaged in managing contracts in-theater, except in a limited capacity. In addition, the report noted that DCMA was not currently positioned to perform most expeditionary contract management functions. The Gansler Commission Report made one recommendation to Congress and four recommendations to the Secretary of the Defense (see Table 1).

Table 1. Gansler Report Recommendations

Gansler Recommendations	Section 849 DOD Task Force Implementation Status As of July 9, 2009*
Authorize one joint three-star General Officer as Commander of DCMA and reporting directly to USD AT&L (Congress)	In Progress
Assign DCMA the role of all base, post, camp, and station contract management	Alternatives in Progress
Adequately resource DCMA for this expanded role, and have the required training	Alternatives in Progress
Redefine DCMA’s scope	Alternatives in Progress
Increase contracting personnel by 583 to fill DCMA billets for Army Support	Alternatives in Progress

* DCMA officials stated that DOD rejected four of the five Gansler Commission Report recommendations directed to DCMA stating that the Military Departments would perform these functions.

Office of the Secretary of Defense Direction to DCMA

In November 2007, the Office of the Secretary of Defense directed DCMA to immediately expand its contract management mission in the Central Command area of

responsibility to administer all contracts JCC I/A delegated to DCMA. DCMA expanded its contingency contracting administration services mission in Iraq, Afghanistan, and Kuwait augmented with personnel from the Military Departments. DCMA and JCC-I/A developed a concept of operations to outline the procedures for the delegation of TWCA, covering the full range of contracts executed in theater.

The Gansler Commission Report recommended DCMA budget an additional 583 billets for Army support. DCMA officials stated that the 583 billets the Gansler Commission recommended was a best guess of the Commission. DCMA officials noted that there was no model or support for the number of personnel requested by the Commission to support contracting operations in SWA.

Section 849 of the FY 2008 National Defense Authorization Act

National Defense Authorization Act for FY 2008, section 849, “Contingency Contracting Training for Personnel Outside the Acquisition Workforce and Evaluations of Army Commission Recommendations,” approved January 28, 2008, directed the DOD to:

- evaluate the recommendations in the Gansler Commission Report,
- determine the extent to which such recommendations were applicable to the other Armed Forces, and
- submit a report no later than 120 days after Authorization Act enactment to the Congressional Defense committees with conclusions of the evaluation and a description of the Secretary of Defense’s plans for implementing the Commission’s recommendations for Armed Forces other than the Army.

DOD Task Force

On June 2, 2008, and in response to section 849 requirements, DOD issued the “DOD Task Force on Contract and Contract Management in Expeditionary Operations, 2008 Report to Congress.” The DOD Task Force reviewed and analyzed Gansler Commission Report recommendations. The DOD Task Force agreed with the Gansler Commission report conclusions that DCMA in general did not provide contract administration for service contracts nor for base, post, camp, and station service contracts. The DOD Task Force also agreed with the Gansler Commission’s goal to achieve enhanced post-award contract administration integrated through a DOD strategy to improve administration for service contracts being developed to correct deficiencies in DOD contract management designated as a Government Accountability Office (GAO) high-risk area.

The DOD Task Force report noted that although DCMA had assumed total responsibility, based on delegated authorities from JCC-I/A for TWCA, DCMA’s long-term role would be focused on contract management leadership, oversight, and on enhancing core capabilities in systemic analyses of contractor performance. The DOD Task Force concluded that the Military Departments would assume the majority of the long-term TWCA and quality assurance responsibilities and DCMA would retain responsibility for contract administration. DCMA would assist the Military Departments through Contract Management Reviews in assessing the adequacy of base, post, camp, and station contract

management, quality assurance, and contracting officer's representative functions and training. The DOD Task Force stated that the process would additionally facilitate capturing best practices and standardizing procedures when appropriate.

The DOD Task Force report also noted that DOD was pursuing a 3-star General Officer billet to head DCMA. In addition, DCMA would have a leadership role in establishing the training requirements, and performing oversight of adherence to those requirements, for contracting officer and quality assurance representatives. DOD and the Military Departments would transition from the current approach to the future model over the course of the next few years, with full implementation by 2012.

Appendix D. Sample Methodology

Objective

The purpose of the statistical sampling was to select an appropriate sample from the DCMA acquisition workforce personnel for SWA to determine if the personnel were adequately trained and certified.

Population

The population of the sample consisted of 1,170 personnel deployment records. DCMA provided FRAGO deployment rosters from fiscal years 2004 to 2009. The audit team compiled the rosters to create one database, using, if possible, the FRAGO roster dated October and April of each fiscal year. We chose to capture the beginning and mid year of DCMA's fiscal year. Also, because most positions deployed on a 6-month temporary duty basis, October and April were deemed appropriate. FRAGO records that did not have an individual in the 'current deployed last name' field were removed from the population. We also removed records that appeared to be captured more than once in the population. This determination was made based on the individuals' last name and the end of rotation date.

Sample Design and Size

For this sample, each record in the FRAGO roster was given a record number. The population was stratified by country to which the employee was assigned (Afghanistan, Iraq, Kuwait, or "Other"). The Quantitative Methods and Analysis Division developed a stratified random sample design using 90-percent confidence level. The sample size of 221 was selected from a population of 1,170 employees.

Sample Result Categories

To analyze the randomly selected sample, the audit team grouped employees according to the position they occupied. The positions include: administrative contracting officer, property administrator, contract administrator, quality assurance representative, commander, operations officer, and administrative. In addition to grouping the sample according to position occupied, we also used the sample to perform a trend analysis to ascertain whether DCMA was improving from one fiscal year to another. Due to time constraints, we did not interview DCMA personnel deployed to SWA to verify the work assigned and performed.

Use of Sample Projections

We did not include in this report projections of the number of DCMA SWA personnel not fully qualified for positions occupied, or the number of DCMA SWA quality assurance representatives supporting contingency contracting operations that did not have or could not produce proof of DAWIA certification because we lacked confidence in the accuracy of FRAGO deployment roster data used in DCMA personnel records. These projections are available upon request.

Appendix E. Administrative Contracting Officers in Southwest Asia

ACO duties consist of performing contract administration services and Logistics Civil Augmentation Program (LOGCAP) oversight duties to support a contingency base of military and contractor personnel in SWA. The duties vary depending on location. The following are examples of ACO duties.

- ACO provides independent Government oversight of the LOGCAP contractor performing support services and task orders for dining, maintenance, billeting, airfield, transportation, aerial operations and base development, construction and maintenance during contingency operations, and morale, welfare, and recreation.
- ACO performs contract administration for LOGCAP services such as airfield operations support, transportation, aerial/seaport operations support, and base camp maintenance and minor construction.
- ACO monitors contractor costs, holds scheduled contractor performance meetings, reviews schedules, specifications, material requirements, and pertinent contractual clauses to determine administrative functions to be performed.
- ACO contacts the responsible buying activities to resolve contract discrepancies and contacts the contractors to clarify issues on contractual requirements.
- ACO initiates contract changes to meet changing combat mission needs and provides performance feedback to the contractor on a monthly basis.

In Central Iraq, the ACO positions are divided between Air Force Contract Augmentation Program, LOGCAP, and TWCA.

The ACO for the Air Force Contract Augmentation Program position at Camp Taji has the responsibility of administering the \$183 million Air Force Contract Augmentation Program with multiple contracts. The ACO performs lead contract administration services and oversight duties to support the Air Force Contract Augmentation Program contract including the review of schedules, specifications, material requirements, and pertinent contractual clauses to determine the administrative functions to be performed.

ACO (LOGCAP) administers the LOGCAP task orders providing full range of life support services to military and contractor personnel. They provide necessary inputs and expertise to support mission updates and maintain daily situational awareness and closely coordinate with both military and civilian military officials.

ACO TWCA administers theater-wide private security contractor contracts, life support, equipment maintenance and critical services delivery orders, task orders, and blanket purchase calls.

Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics Comments



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE
3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

DEC 14 2009

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL AND DIRECTOR,
DEFENSE FINANCIAL AUDITING SERVICE, DoDIG

THROUGH: DIRECTOR, ACQUISITION RESOURCES AND ANALYSIS *ns 12/14/09*

SUBJECT: Response to DoDIG Draft Report on Defense Contract Management Agency
Acquisition Workforce for Southwest Asia (Project No. D2008-D000AB-
0266.000)

As requested, I am providing responses to the general content and
recommendations contained in the subject report.

Recommendation A1a:

We recommend that the Under Secretary of Defense for Acquisition, Technology, and Logistics revise DoD Instruction 5000.55, "Reporting Management Information on DOD Military and Civilian Acquisition Personnel and Positions," November 1, 1991, to require Defense agencies to develop guidance to identify acquisition workforce requirements including the number of military and civilian personnel needed to support their acquisition and contracting operations.

Response:

Concur with comment (Technical Correction). DODI 5000.66 is the appropriate DODI. DODI 5000.55 will be cancelled in 2010 and reissued as a DOD manual.

DODI 5000.66 will be revised to "Require Military Departments and Defense Agencies to develop guidance to identify acquisition, technology and logistics workforce requirements in accordance with DoDI 1400.25: Volume 250, Civilian Strategic Human Capital Planning (SHCP); DoDI 1100. 22, Guidance for Determining Workforce Mix; and DoD Financial Management Regulation 7000.14-R, Volume 2B, Chapter 19."

Completion Date: June 30, 2010

Recommendation A1b:

We recommend that the Under Secretary of Defense for Acquisition, Technology, and Logistics perform quarterly reviews of the Joint Contracting Command Iraq/Afghanistan requirements of the Defense Contract Management Agency's Southwest Asia acquisition workforce.

[REDACTED]

Response:

Concur with comment. The responsibility for determining the DCMA workforce requirements necessary to support JCC-I/A requirements is a joint responsibility between USCENTCOM, the U.S. Army as the Executive Agent for Contracting in Iraq and Afghanistan, JCC-I/A and DCMA. USD (AT&L) will ensure these reviews are executed to determine the appropriate DCMA manning level to support Contingency Contract Administration Services (CCAS), but should not be performing these quarterly reviews in place of USCENTCOM. As a Combat Support Agency, DCMA is responsible for providing CCAS support to USCENTCOM. USCENTCOM, in turn, is responsible for giving authoritative direction regarding its CCAS requirements to support its military operations to DCMA. In response, DCMA provides by-name reporting of deployed personnel to USCENTCOM on at least a quarterly basis. The criticality of DCMA's CCAS personnel to the current fight has ensured constant OSD high level focus and associated management attention to related manpower resourcing issues. USD (AT&L) stood up a separate joint working group and senior leadership management oversight team to discuss exclusively the DCMA CCAS role and responsibilities and the Services' role in CCAS in the future. As part of this ongoing discussion, resources are a "front and center" concern.

Recommendation A.2.:

We recommend that the Director, Defense Contract Management Agency, develop a written plan within 90 days from the date of this report defining civilian and military acquisition workforce requirements needed to support contracting operations in Southwest Asia.

Response:

Concur. Over the last several years, the DCMA Contingency Contract Administration Services (CCAS) mission has grown and evolved as a result of our increased mission and contract delegations. Although lacking a deliberate, documented policy, DCMA collaborated with organizations providing contract delegations and performed adaptive resource requirements analyses in a dynamic contracting support atmosphere. As part of the changing Southwest Asia operational environment, DCMA has continuously refined its military and civilian human capital resource plan and requirements to ensure that it will be able to deploy qualified personnel and meet its delegated theater contract oversight support obligations. DCMA prepared a draft CCAS concept of operations that provides our concept for executing the CCAS mission. However, the specific skill sets and staffing structure required to execute today's CCAS mission is and will continue to be situation dependent, mission focused and war fighter requirements driven, given the dynamic and continuously evolving ("state of flux") hostile combat environment beyond DCMA's control. As requirements are identified, DCMA will continue to use its existing and published contract receipt & review process to identify and define the required civilian and military acquisition workforce requirements to support delegated acquisition support operations in Southwest Asia. To minimize the reactive nature of the delegation

process in this constantly changing environment, DCMA has proactively integrated itself with the theater leadership command structure to identify, define and help focus future workload requirements. This alignment has produced positive results that have helped minimize but not eliminate the reactive nature of the theater delegation process and the unpredictable requirements driven dynamic combat environment. Once the CONOPS is published, DCMA will be in compliance with the executable intent of DoDIG recommendation A.2.

DCMA will review current (draft) CONOPS, ensuring the intent of DoDIG recommendation is addressed, thus establishing written procedures defining civilian and military acquisition workforce requirements needed to support current and future CCAS missions.

Completion Date: January 15, 2010

Recommendation B.1:

We recommend that the Under Secretary of Defense for Acquisition, Technology and Logistics revise DOD Instruction 5000.66, "Operation of the Defense Acquisition, Technology and Logistics Workforce Education, Training and Career Development Program," to eliminate the 24-month grace period to obtain required certifications for individuals assigned to positions in support of contingency operations.

Response:

Non-concur. The DoDIG recommendation is not consistent with the desired result of establishing and maintaining an agile, qualified workforce during contingency operations. The intent is to identify acquisition qualification requirements for the contingency positions and to fill these requirements with properly trained and certified acquisition professionals.

Revised

DoD 5000.66, E2.4.1.2 already provides the flexibility for components to establish a plan for the individual to meet the requirements within 24 months of placement or other period established by the CAE. In the event in-theater operational mission necessitates implementation of DAWIA waiver authority, DCMA will instill precautions to ensure the uncertified individual is provided a structured, robust support structure.

Recommendation B.2a:

We recommend that the Director, Defense Contract Management Agency review and update as needed, assigned civilian and military personnel training records to determine whether Defense Acquisition Workforce Improvement Act training has been completed and certification levels attained.

Response:

Concur. The in-theater DCMA CCAS mission differs significantly from the acquisition life-cycle support mission. Therefore, competency-based training aligned to CCAS requirements is essential to provide the service expected by our nation's warriors.

DCMA will review training and certification records of all personnel currently assigned to key acquisition positions. Records will be updated to reflect method of verification and documented evidence when necessary.

Completion Date: December 1, 2009

Recommendation B.2.b:

We recommend that the Director, Defense Contract Management Agency revise Defense Contract Management Agency position descriptions to include training requirements and certification levels in accordance with DOD Instruction 5000.66 and the Defense Acquisition University guidance.

Response:

Concur with Comment. DCMA supports our in-theater manning requirement through Temporary Duty (TDY) assignments and establishes a "statement of assigned duties". Personnel performing TDY in support of CCAS retain their Permanent Duty Station (PDS) position description. Therefore, the provisions of DOD Instruction 5000.66 and Defense Acquisition University guidance are applicable only to the permanent position, whereby the position designation as a Critical Acquisition Position (CAP) is determined by the supervisor of record and reflected in the Defense Civilian Personnel Data System (DCPDS).

When initially delegated LOGCAP & AFCAP contract administration, DCMA utilized their Acquisition Lifecycle resourcing model, whereby the DAWIA certification requirements were a part of the resource requirement determination. As the CCAS mission parameters were better defined and scoped and expansion of Theater-Wide Contract Administration occurred, DCMA adjusted its staffing construct. DCMA adopted a strategy that maintained key acquisition and contract oversight capabilities through a "hub and spoke" concept. Theater and Lead positions requiring DAWIA certification were established, thus providing leadership and mentoring to personnel assigned lower risk contract oversight activities. Although this effective CCAS resourcing strategy was implemented, the duty descriptions were not updated to reflect the changes to the DAWIA certification requirements.

Regarding the current in-theater assignments and related duties, DCMA monitors the qualifications of assigned personnel and in some cases uses the DAWIA certification as a measure of qualifications to perform assigned duties. In the event the assigned duties

require a warrant or DAWIA certification, the position is so identified to the sourcing activity.

DCMA performs semi-annual position validation and qualification designations. Given the evolving workload allocations within theater, DCMA will adjust to a quarterly review schedule. Future in-theater resource requirement reviews will reflect a clear description of qualifications and certification requirements. The DCMA sourcing activity will review personnel records, ensuring a correlation of personnel qualification to position assignment.

Next Review Date: December 1, 2009

Recommendation B.2.c:

We recommend that the Director, Defense Contract Management Agency ensure candidates possess required training and the appropriate Defense Acquisition Workforce Improvement Act certification before deployment when their assigned duties require them to support or administer contingency contracts within a combat environment.

Response:

Concur. DCMA will enhance our pre-deployment training and certification records review of personnel scheduled for deployment. DCMA will institute a 100% records validation of personnel scheduled for deployment to key acquisition positions.

Estimated Completion Date: 30 days after identification of key acquisition positions

Recommendation B.2.d:

We recommend that the Director, Defense Contract Management Agency develop and institute a knowledge management transfer process for recurring transitory acquisition workforce personnel supporting contingency contracting operations or create permanent billets for acquisition workforce positions in Southwest Asia.

Response:

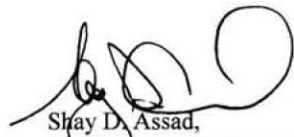
Concur. DCMA uses three methods for knowledge management and process improvement relating to the transient workforce. The primary method to knowledge management is conducted during our Left Seat-Right Seat Transition Program where the outbound and inbound personnel conduct a battle hand-off during their overlap period. One of the tools used to help facilitate this effort is the in-theater continuity folders. Each person is required to prepare or update an electronic or hard copy folder for the capture and transfer of critical documentation, meeting schedules, points of contact, lessons learned etc. Other tools used for knowledge management are the in-theater shared network drive along with the administrative contracting officer and quality assurance databases. Finally, DCMA seeks continuous improvement opportunities in the form of after action reports and applies the results/lessons learned to the DCMA Basic

Contingency Operations Training. As the knowledge management processes described herein were not being fully implemented, DCMA will develop appropriate implementing guidance and validate the in-theater knowledge transition process during our quarterly Management Internal Control Review (MICR) or as required. MICR validates the existing process and, if need be, either improves the process or, if necessary, develops a new process.

Estimated Completion Date: Continuous evaluation and improvement.

Technical comments regarding text in this draft report, including recommended revisions, are provided in the enclosure.

Please contact [REDACTED], if additional information is required.


Shay D. Assad,
Director, Defense Procurement
and Acquisition Policy

[REDACTED]
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Inspector General Department of Defense